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1 (Case called)

2 DEPUTY CLERK: Appearances for the United States  
3 Attorney's Office.

4 MR. ROOS: For the United States Attorney's Office,  
5 good morning.

6 Nicks Roos, Thomas McKay, Rachel Maimin and Andrea  
7 Griswold.

8 DEPUTY CLERK: Appearances for Special Counsel's  
9 Office.

10 MS. RHEE: Jeannie Rhee on behalf of Special Counsel's  
11 Office. I'm joined here today by Andrew Goldstein and Rush  
12 Atkinson. Also in the courtroom in the back, we're joined by  
13 FBI Heather D'Agostino and Mickey Robinson.

14 DEPUTY CLERK: Appearances for the defendant.

15 MR. PETRILLO: Good morning, your Honor.

16 Guy Petrillo and Amy Lester for Michael Cohen.

17 THE COURT: Good morning to all of you, and I note the  
18 presence of the defendant, Mr. Cohen, at counsel table.

19 This matter is on for sentencing. Are the parties  
20 ready to proceed?

21 MR. ROOS: Yes, your Honor.

22 MR. PETRILLO: Yes, your Honor.

23 MS. RHEE: Yes, your Honor.

24 THE COURT: First, Mr. Petrillo, have you reviewed  
25 with your client the presentence investigation report?

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MR. PETRILLO: I have, your Honor.

THE COURT: Are there any factual matters set forth in  
the report that you believe warrant modification or correction?

MR. PETRILLO: Not at this time, your Honor. Thank  
you.

THE COURT: Mr. Roos, are there any factual matters  
set forth in the presentence report that the government  
believes warrant modification or correction?

MR. ROOS: No, your Honor.

THE COURT: What about the Special Counsel's Office?

MS. RHEE: No, your Honor.

THE COURT: Very well.

MR. PETRILLO: Your Honor, just to confirm, did the  
court receive our letter of last night?

THE COURT: I did.

MR. PETRILLO: Very well.

THE COURT: I did.

Now, the parties here, before I hear from them, have a  
difference of opinion concerning the guidelines calculation,  
and, in particular, the grouping analysis for 18 CR 602.

Defense counsel argues that the tax evasion counts are  
not closely related to the other counts and, therefore, should  
not be grouped together. The government counters that Section  
8B1.2 specifically enumerates guidelines that are to be  
grouped, which include Section 2T1.1 for the tax evasion



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counts, Section 2B1.1 for the false statement count, and Section 2C1.8 for the illegal campaign contributions counts.

This Court finds the government's argument to be correct as a matter of law where the offense levels are principally determined by the amount of loss. *See United States v. Gordon*, 291 F.3d 181, 192 (2d.Cir 2002).

Accordingly, this Court makes the following guidelines calculations: Grouping all eight counts of 18 CR 602 together, the base offense level is 7. Because the loss here exceeded \$1.5 million, but was less than \$3.5 million, an increase of 16 levels is warranted.

Further, because the offense involved the use of sophisticated means, including Mr. Cohen's creation of shell companies and fake invoices, a further two-level enhancement is appropriate.

Finally, because Mr. Cohen used special skills as a licensed attorney to facilitate the commission and concealment of these offenses, a further two-level enhancement is warranted. Thus, the adjusted offense level for group one, that is, the counts charged in 18 CR 602, is 27.

Now, Mr. Cohen pled guilty to these crimes in a timely manner before me and, accordingly, I grant him a three-level reduction for acceptance of responsibility. Thus, his total offense level is 24. The defendant has no prior criminal convictions, and, therefore, his Criminal History Category is a

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I. With a total offense level of 24 and a Criminal History Category of I, Mr. Cohen's guideline range is 51 to 63 months of imprisonment on the eight charges of income tax evasion, making false statements to a banking institution, and the two campaign finance crimes.

Now, with respect to Mr. Cohen's plea to making false statements to Congress, that is separately grouped and has a base offense level of 6. This Court agrees with the Special Counsel's Office and Mr. Cohen that no enhancements are appropriate. Mr. Cohen pled guilty to this crime before my colleague, Judge Carter, and, accordingly, I grant him a two-level reduction for acceptance of responsibility on this offense. So, with a total offense level of 4 and a Criminal History Category of I, his guidelines range for making false statements to Congress is zero to six months of imprisonment. Accordingly, no multiple account adjustment applies.

And so with the guidelines calculation resolved, I will hear now from the parties.

Mr. Petrillo, do you wish to be heard on behalf of Mr. Cohen?

MR. PETRILLO: I do, your Honor. Thank you.

Your Honor, may it please the Court, thank you.

My partner, Amy Lester, and I have the privilege of representing Michael Cohen and the honor of having met some of the members of his family who are present here today. The



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1 group is larger than I've met, but it includes his mother and  
2 father, his mother-in-law and his father-in-law, his wife and  
3 children, and his brother and sisters, along with a niece and a  
4 cousin.

5 Your Honor, we have made a sentencing submission with  
6 numerous letters in support of the character of Mr. Cohen, and  
7 it would not be our purpose today to repeat all of what we have  
8 already written. Rather, unless your Honor would like me to  
9 proceed otherwise, I would like first to address the remarkable  
10 nature and significance of the life decision made by Mr. Cohen  
11 to cooperate with the DOJ Special Counsel and the relevance  
12 and, respectfully, the importance of that cooperation, not only  
13 to this specific man and your Honor's evaluation of this  
14 specific man, but also to the Court's consideration of how  
15 Mr. Cohen's cooperation promotes respect for law and the  
16 courage of the individual to stand up to power and influence.

17 When Mr. Cohen authorized us to contact the Special  
18 Counsel's Office in July, he did so to offer his relevant  
19 knowledge to the investigation knowing that he would face as a  
20 result when his offer became public a barrage of attack by the  
21 President. He knew that the President might shut down the  
22 investigation, and he knew that there might come a time when he  
23 would appear in court, and there would be no Special Counsel to  
24 stand up for him, as there is today.

25 He moved forward nonetheless. So it is true, as has

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1 been pointed out by the government, that part of what Mr. Cohen  
2 did in coming forward is similar to what many folks who are  
3 expecting criminal charges do in that expectation. At that  
4 time he acknowledged that it was more than possible that his  
5 case might proceed from mere investigation to charges and that  
6 his offer to assist could help him in some fashion should there  
7 be charges and should there be a proceeding. But it is also  
8 the case that his decision was an importantly different  
9 decision from the usual decision to cooperate. He came forward  
10 to offer evidence against the most powerful person in our  
11 country. He did so not knowing what the result would be, not  
12 knowing how the politics would play out, and not knowing  
13 whether the Special Counsel would even survive, nor could he  
14 anticipate the full measure of attack that has been made  
15 against him; not only by the President, who continues to say  
16 that people like Mr. Cohen who cooperate with the Special  
17 Counsel are weaklings and those who hold fast and clam up are  
18 heroes, but also attacks by partisans and by citizens who  
19 happen to be aligned with the President. And those attacks  
20 have included threats against him and his family.

21 So, respectfully, this is not a standard case of  
22 cooperation. The cooperation here should be viewed under a  
23 non standard or in a non-standard framework. The SCO's  
24 investigation, the Special Counsel's investigation is of the  
25 highest national significance, no less than seen 40 plus years



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1 ago in the days of Watergate. In the light of that reality,  
2 respectfully, your Honor, it is important that others in  
3 Mr. Cohen's position who provide assistance to this historic  
4 inquiry take renewed courage from this proceeding, and that law  
5 enforcement and the promotion of respect for law also receive a  
6 boost from what happens here today. Mr. Cohen would want me to  
7 say that he's always respected law enforcement. He's always  
8 supported it.

9 In the plea agreement with the Special Counsel, the  
10 Special Counsel committed, subject to conditions that have been  
11 fully satisfied, to bring to your Honor's attention for  
12 sentencing purposes in both cases the nature and extent of  
13 Mr. Cohen's cooperation with that office. The Special Counsel  
14 says Mr. Cohen has gone to significant lengths to assist the  
15 investigation, providing information on core topics under  
16 investigation, and is committed to continue to assist.

17 The office says the information provided has been  
18 credible and consistent with other evidence obtained in its  
19 investigation. The office further says that it has been useful  
20 cooperation in four specific respects that are detailed in the  
21 Special Counsel letter to the Court. And, finally, Mr. Cohen,  
22 according to the Special Counsel, has made substantial and  
23 significant efforts to remediate his own misconduct, accept  
24 responsibility for his actions, and assist the Special  
25 Counsel's investigation.

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Even the Southern District which has submitted a  
somewhat sharp memo, which I will comment on in a few minutes,  
to the Court, agrees that Mr. Cohen's assistance to the Special  
Counsel was significant. That's at page 17 of its memo. And  
that his provision of information to law enforcement in matters  
of national interest is deserving of credit. And that's at  
page 37 of the memo.

Your Honor, in this exceptionally important matter,  
Mr. Cohen's cooperation is overwhelmingly the factor, we  
submit, that should substantially mitigate his sentence, and  
his action stands in profound contrast to the decision of some  
others not to cooperate and allegedly to double deal while  
pretending to cooperate.

But that's not all. We also ask the Court  
respectfully that it consider Mr. Cohen's life of good works as  
it considers the sentence in this case. As we set forth in our  
memo, and as supported by the letters sent with the memo, he  
has been a prodigious fundraiser for the St. Jude's Children's  
Hospital.

He has been the key figure at a Manhattan private  
school in the raising of funds committed to financial aid for  
students without means to attend and who otherwise would not be  
able to attend absent his efforts.

He has done likewise impressive fundraising for  
Operation Smile and assisted the Weatherford Foundation with



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1 active personal efforts to advance the role model program of  
2 that athletes' organization.

3 Your Honor has read, I have no doubt, of the aid and  
4 assistance Mr. Cohen provides regularly to children and friends  
5 when they need to find medical care and stands by them in their  
6 times of illness and hard times.

7 Whatever millions of words are said and written about  
8 Mr. Cohen, and certainly he's in the paper every day, and on TV  
9 there's coverage, sometimes it appears 24/7, this is a man of  
10 generous spirit and the submissions to the Court demonstrate  
11 that.

12 There is some mention in the Southern District's memo  
13 regarding emphasis on his own contributions financially, but I  
14 don't find it in our memo. The crux of what we're saying is  
15 that he puts himself out to raise money for very, very  
16 worthwhile organizations. He puts his whole body into it, and  
17 this is a man whose first instinct is to help.

18 When it comes to Mr. Cohen's capacity to follow  
19 through in his commitment to lead a good and law-abiding life,  
20 I would also like to underscore what the Court has been  
21 informed of by several members of the bar. All portray a man  
22 of integrity and honorable intentions and care for the  
23 underserved, a man who does not engage in sharp business  
24 practices.

25 To be sure, the Southern District points out that like

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1 many clients that lawyers meet from time to time, Mr. Cohen has  
2 occasionally erupted in frustration at what he perceives to be  
3 wrongs. For example, as the Southern District points out, he  
4 became very angry when a bank refused to focus on a transaction  
5 that would have allowed him to sell his taxi medallions at a  
6 time when doing so would have been lucrative, waited so long  
7 before they approved the transactions, that the transaction  
8 melted away as the market dipped. He expressed frustration,  
9 and that is cited in the Southern District's memo as evidence  
10 of a bad character. I have so many clients who come into my  
11 office on a regular basis frustrated with life. That's an  
12 immature and meaningless observation in my view as to his  
13 character. It's simplistic and it's unfair.

14 Mr. Alpstein says, a lawyer who's worked with  
15 Mr. Cohen on transactions, "Every seller of a transaction on  
16 which I've represented Michael would say without equivocation  
17 that Michael was and is an honest, responsible, and fair  
18 businessman."

19 The man is 52 years old. There's a long record of how  
20 he has conducted himself in business and with financial  
21 institutions. No bank has ever lost money dealing with Michael  
22 Cohen. I'll say that again: No bank has ever lost money  
23 dealing with Michael Cohen. No friend in need has ever been  
24 turned away.

25 Your Honor, we addressed the offense conduct, and I



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1 had not planned to say more than a few words about it until I  
 2 read the Southern District's memo, and I just want to say few  
 3 words in response to the memo. And I don't want to belabor it.  
 4 I know that you've read all the materials. No one is saying,  
 5 least of all, Michael Cohen, or has said that a false statement  
 6 to a bank is other than serious. In this case, we simply made  
 7 the point that the home equity line of credit as to which the  
 8 application was false was ten times oversecured at the time of  
 9 the application and that no money damage resulted. Does that  
 10 make it right? No. It does not make it right. But it puts  
 11 the conduct into some kind of proportion.

12 No one is saying, least of us, Michael Cohen, that tax  
 13 evasion of any kind is other than serious. The speaking  
 14 information in this case, however, says that the crux of the  
 15 conduct was failing to identify deposits as income to an  
 16 accountant who received bank statements. Does that make it  
 17 right? No. It doesn't make it right. But it puts in  
 18 proportion and points out that the Court here is not dealing  
 19 with a mastermind of tax deception.

20 Ms. Lester and I were given three to four days to  
 21 speak to the tax charges in this case before they were filed.  
 22 They were not specified. When asked questions about what they  
 23 entailed, I was met with stony silence and no realistic  
 24 opportunity to meet with the tax division, as is common. I  
 25 believe that we would have had a very strong chance of

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diverting the case from the criminal track had we had that  
 opportunity.

But life is tough and Michael Cohen accepts that. We  
 accept it. Our point is not to explain the conduct away. Our  
 point is to say that the offense is well within the heartland  
 of cases that are routinely treated in a non-criminal context,  
 solely so that your Honor can consider the punishment aspect  
 associated with the criminal tax evasion that has been  
 admitted, and that no one is trying to push away as someone  
 else's fault.

I will say very little on the campaign charges, the  
 campaign finance charges, and the statement to the legislature.  
 I do want to point out what Mr. Gerber, a lawyer in New York,  
 writes to the Court. He's a former member of the grievance  
 committee, and he's written on behalf of Mr. Cohen that he's  
 seen many attorneys succumb to the wishes of a particularly  
 persuasive client. "Mr. Cohen," he writes, "had a client whose  
 extraordinary power of persuasion got him elected to the  
 highest office in the land." Again, the conduct is quite  
 serious, but Mr. Gerber's experience is certainly worthy of  
 note, as the Court takes into account the human element of what  
 happened here.

Based on all these factors, your Honor, most  
 importantly cooperation, good works, and the nature of the  
 offenses, we respectfully submit that the case calls for a full



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1 consideration of mercy as your Honor sentences our client,  
2 Michael Cohen.

3 A few words on what the Southern District has  
4 submitted. It is not the case that Mr. Cohen has declined to  
5 answer questions from the Southern District or from our duly  
6 authorized U.S. Attorney's Offices, state law enforcement  
7 entities, and Congress. He's ready to do that. He is wary of  
8 a long-term cooperation agreement for personal reasons and  
9 because he wants both to remove himself and to remove his  
10 family from the glare of the cameras and try to work his way  
11 and their way back from an abnormal life. The period of such  
12 an agreement would be indeterminate. The press is overwhelmin  
13 in this case. But none of this is to say he will not make  
14 himself available for questioning on investigated matters, and  
15 indeed, as you know, he's already met with the Southern  
16 District on one of those matters.

17 But it's also unfair and it's mere innuendo that  
18 Mr. Cohen would not describe his own misconduct, as the  
19 government says twice, "if any." I know the Court is aware  
20 that search warrants were executed in this case. As a result,  
21 all of his papers, computers, devices, phones, and recordings  
22 were seized and dozens of agents, and at least four Assistant  
23 U.S. Attorneys and supervisors questioned dozens and dozens of  
24 witnesses and reviewed the evidence. They know what is there.  
25 He pled to what he pled to, and the plea agreement immunized

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him for the conduct that the plea agreement immunized him for.  
When the government repeats twice that Mr. Cohen declined to  
disclose his prior bad acts "if any," they come forward with  
nothing to suggest that they don't know everything already,  
much less that there's anything there.

At the end of the day, it's not that important, your  
Honor. I just don't think it's fair. I don't really  
understand the strident tone of the memo, and trying to put it  
into context, I'm looking at the beginning of the case. First,  
an unwillingness to delineate charges, a claim that I should  
already know what they are. A few days to respond once three  
categories of alleged offenses were set forth. And then after  
the plea, a courthouse press conference on a plea of guilty. I  
submit, your Honor, that no other defendant would be treated in  
this fashion on these offenses, but Mr. Cohen had the  
misfortune to have been counsel to the President.

This rush to charge and media display suggest,  
respectfully, that the Court should take with a healthy grain  
of salt the contentions by the Southern District of New York  
that Mr. Cohen left them at the altar of a Southern District  
cooperation agreement. Rather, he made a personal and rational  
decision that he would respond truthfully to any investigative  
topic, but that it was not in his or his family's interest to  
remain in the constant glare and under the requirements of a  
cooperation agreement which could go on for months and months

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1 and years and years. And he sat down with Southern, and they  
2 found him "forthright and credible." Page 15.

3 The rules of the Southern District of New York as to  
4 how every case of cooperation should proceed, of course, were  
5 given to us by the minor gods and woe unto those who fail to  
6 follow their scriptures, but they don't mean that they work in  
7 every situation, no matter the facts, no matter the  
8 circumstances. They don't mean the prosecutor is always right  
9 about how the standard procedure will play out.

10 And, effectively, your Honor, the Southern District  
11 would have this Court penalize Mr. Cohen because he did not  
12 follow their standard form agreement and procedure even though  
13 he cooperated with the Special Counsel, provided them with  
14 forthright and credible information, and offered, and hereby  
15 offers, to respond to any other questions, and they would do it  
16 without putting forth anything to suggest that there's any  
17 there there by way of prior bad acts. This approach, your  
18 Honor, is erroneous. It's error to consider what they are  
19 asking you to consider. It's fundamentally unfair for a  
20 prosecutor to ask a Court to sentence a defendant on  
21 hypothetical facts and circumstances rather than based on the  
22 facts and circumstances that the Court actually knows. Those  
23 facts and circumstances do not present a mystery of the kind  
24 that the office's memorandum seeks to suggest. I don't know  
25 what's behind it, and it's peculiar in a context in which a

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1 sibling office of the DOJ agrees that Mr. Cohen cooperated as  
2 set forth in the plea agreement and as reported to your Honor  
3 in the Special Counsel's letter.

4 I'm not going to overly speculate about what's going  
5 on here. I think the Court has as much experience as I in  
6 these matters, but I would suggest that power to the Southern  
7 District if they want to make a bigger case than they've  
8 already made, God bless them. And maybe there's a little bit  
9 of pride involved here in not being at the center of attention.  
10 Who knows? Maybe all those articles about a big financial  
11 fraud case and a big taxi medallion case followed by these  
12 pleas is somehow disappointing. It's not for me to say.

13 We respectfully request, your Honor, a variance under  
14 the guidelines and the exercise of leniency in the imposition  
15 of sentence on Mr. Cohen, and we request that on behalf of our  
16 client and his family. He has done, Michael has, a good deal  
17 to help, not only the Special Counsel but a lot of people. He  
18 is a very good man.

19 Thank you.

20 THE COURT: Thank you, Mr. Petrillo.

21 Ms. Rhee, does the Special Counsel's Office wish to be  
22 heard?

23 MS. RHEE: Yes, your Honor.

24 Thank you, your Honor. On behalf of the Special  
25 Counsel's Office, our remarks will be brief. We rely, and we



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1 speak primarily through our written submission which has  
2 already been submitted to this Court. In supplement to that,  
3 we just have two discrete, important points that we want to  
4 highlight for the Court's attention.

5 The first is that the offense that Mr. Cohen pled to  
6 in 18 CR 850 was a serious criminal violation. As Mr. Petrillo  
7 alluded to, the subject at issue here that Mr. Cohen actively  
8 misled Congress about was an issue of national importance and  
9 interest, and Mr. Cohen intentionally repeated many of the  
10 false statements to us at the Special Counsel's Office  
11 initially when we met with him in July. And those false  
12 statements were intended to limit ongoing investigations into  
13 Russian interference in a U.S. presidential election, and the  
14 question of any links or coordination between a campaign and a  
15 foreign government. Our submission elucidates why those lies  
16 were material, why those lies were consequential.

17 But what we really want to leave with the Court today  
18 for the Court's consideration is Mr. Cohen's interactions with  
19 the Special Counsel's Office since that initial voluntary  
20 interview in July. The government has agreed with Mr. Cohen to  
21 bring his assistance to your attention for due consideration at  
22 this sentencing, and what we want to say about that is that  
23 Mr. Cohen has endeavored from his second session with us in  
24 September of this year going forward to this day, he has  
25 endeavored to account for his criminal misconduct in numerous

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ways. He has fully accepted responsibility for the lies that  
he told Congress. He has provided our office with credible and  
reliable information about core Russia-related issues under  
investigation and within the purview of the Special Counsel's  
office. There is only so much that we can say about the  
particulars at this time given our ongoing investigation, but  
we hope that we have sufficiently outlined for the Court that  
they were ranging, and that they were helpful.

Finally, your Honor, what we want to highlight for  
this Court is that one of the things that we and the Special  
Counsel's Office have most appreciated about Mr. Cohen's  
assistance is that he has provided valuable information,  
investigative information, to us while taking care and being  
careful to note what he knows and what he doesn't know. Rather  
than inflate the value of any information that he has brought  
forward to us in what he had to provide, Mr. Cohen has sought  
to tell us the truth, and that is of utmost value to us as we  
work in our office to determine what in fact occurred.

And so we want to highlight that for the Court and to  
underscore what we set out in our submission about the value,  
the nature, the reliability, and the credibility of Mr. Cohen's  
assistance.

THE COURT: Thank you, Ms. Rhee.

MS. RHEE: Thank you, your Honor.

THE COURT: Mr. Roos, does the United States

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1 Attorney's Office wish to be heard?

2 MR. ROOS: Yes, your Honor. Thank you.

3 Your Honor, I'd like to start where Mr. Petrillo  
4 ended, which is to share a few words about the information that  
5 Mr. Cohen provided to law enforcement and the credit that is  
6 appropriate.

7 Now, we agree that Mr. Cohen's decision to provide  
8 information to the Special Counsel's Office in matters of  
9 national interest is deserving of credit, and we defer to SCOT  
10 description of Mr. Cohen's assistance to them and in their  
11 investigation. We don't dispute any of that assessment or the  
12 assessment, frankly, that defense counsel has made.

13 But for the reasons that we've detailed in our  
14 sentencing memorandum, any downward variance that Mr. Cohen  
15 receives should be modest. Any successful assistance Mr. Cohen  
16 provided was in the context of a case where the guidelines  
17 range is zero to six months. It's within the context of the  
18 Special Counsel Office's case.

19 But here, he is facing three additional categories of  
20 crimes, eight total charges, and didn't come anywhere close to  
21 assisting this office in an investigation. There is no mystery  
22 about this. No one is attempting to penalize Mr. Cohen for not  
23 cooperating. Quite the opposite, there is no obligation to  
24 cooperate, but for all the hypothesizing that Mr. Petrillo has  
25 done, Mr. Cohen can't have it both ways. There is a standard

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way in which this office conducts cooperation. Your Honor is  
familiar with it. There is no reason, no matter the  
significance or the nature of the case, whether or not it  
receives public attention, for us to depart from that practice.  
We've treated Mr. Cohen just the way we treat every other  
defendant that deals with the United States Attorney's Office.

[ Now, Mr. Cohen, he chose not to pursue the path of  
full cooperation. He didn't provide substantial assistance to  
the government in this investigation, and he doesn't have a 5K  
letter. And for these reasons, our view is that a significant  
variance, the variance urged by the defendant isn't warranted  
here. To do so would send the wrong message. It would send  
the message that a defendant who chooses a different path, a  
selective cooperation on only particular subjects can receive  
the credit that so many defendants seek when they expose  
themselves completely to the government. ]

Now, I'd like to touch on two points, two of the  
§53(a) factors that in the government's view are so important  
here, and they really go to what Mr. Petrillo said about the  
nature and the seriousness of these offenses.

So, first, the defendant pled guilty to four crimes  
here, your Honor, and Mr. Petrillo, he identified areas in  
which certain crimes in their view may not be as serious, but  
he pled guilty to four different crimes, and your Honor is  
sentencing Mr. Cohen not only on four different charges but

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1 four separate crimes. Each of those charges is itself serious.  
 2 Each merits punishment in its own right. Each cause a distinct  
 3 harm, and taken together there is a compounding effect.  
 4 Collectively, the charges portray a pattern of deception, of  
 5 brazenness, and of greed that manifested in multiple aspects of  
 6 Mr. Cohen's professional life.

7 In particular, Mr. Cohen's conduct related to the  
 8 election is serious because of the tremendous societal cost  
 9 associated with the campaign finance crimes and the lies to  
 10 Congress. Mr. Cohen committed these deceptive acts to protect  
 11 the political campaign from allegations of impropriety, and, by  
 12 his own admission, he committed the campaign finance crimes for  
 13 the purpose of influencing the election.

14 He also, quite brazenly, stole millions of dollars in  
 15 income from the IRS. And on this subject, defense counsel  
 16 describes the ways in which this is really nothing more than a  
 17 civil matter. But that is not the case, your Honor. These tax  
 18 crimes went on for at least five years. They involve millions  
 19 of dollars of income that was deliberately not reported to the  
 20 IRS. This is not a case of an assessed tax not being paid.  
 21 It's something quite different. It was deliberate, it was  
 22 willful, and that's what the defendant's plea reflects.

23 Now, together these crimes implicate core defining  
 24 parts of our democracy: Government funded by the people, free  
 25 and transparent elections. And in committing these crimes,

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Mr. Cohen has eroded faith in the electoral process and  
 compromised the rule of law. And so just as he asks for  
 leniency because of what he claims he's done for the republic,  
 the same can be true in the way in which he's undermined it.  
 All of these facts, your Honor, favor a substantial custodial  
 sentence.

But the second reason why a substantial custodial  
 sentence is warranted here is because of the need to promote  
 deterrence. And when it comes to Mr. Cohen, his training and  
 experience as an attorney should have been a deterrent to his  
 own criminal conduct. Instead, he used his legal license in  
 furtherance of his crimes, and that is a significant point that  
 should be taken into consideration in sentencing. A  
 substantial sentence would serve as a deterrent to future  
 criminal conduct by this particular defendant.

But more importantly, your Honor, a substantial  
 sentence would also serve as a general deterrent to future  
 criminal conduct by individuals like Mr. Cohen. This is  
 particularly important in the context of tax evasion and the  
 campaign's finance crimes, crimes that are difficult to detect,  
 that are so frequently orchestrated through private  
 transactions kept secret from the public. The unfairness here  
 is not to Mr. Cohen. It's to the public. Particularly in  
 light of the public interest in this case, a meaningful  
 sentence of imprisonment, one that sends a message, an



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1 appropriate message about the seriousness of these crimes is  
 2 appropriate. That sort of message must be sent in this case,  
 3 that even powerful and privileged individuals cannot violate  
 4 these laws with impunity.

5 Unless the Court has any questions for the government,  
 6 we otherwise rest on our submission

7 THE COURT: Thank you, Mr. Roos.

8 MR. PETRILLO: Just a point of clarification, your  
 9 Honor, if I may.

10 THE COURT: Yes. Go ahead, Mr. Petrillo.

11 MR. PETRILLO: I just want to be clear because I  
 12 wasn't sure whether Mr. Roos affirmed or failed to affirm that  
 13 the government; that is, the Southern District, by a letter  
 14 dated November 29 in this case captioned with this case number  
 15 that is the first plea before your Honor, agreed that the  
 16 defendant's provision of information to the Special Counsel is  
 17 a factor to be considered by the Court under Title 18  
 18 U.S. Code, Section 3553(a) in the first case, not just the  
 19 second case. And I wasn't sure whether I heard properly that  
 20 Mr. Roos was delineating between the two cases. I may just  
 21 have misheard, but I want to make sure it's clear.

22 MR. ROOS: Your Honor, if I may?

23 THE COURT: You may.

24 MR. ROOS: I believe this was the first point I  
 25 addressed, but to clarify any confusion, the government's view

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is that the defendant provided information that was valuable to  
 the Special Counsel's Office. We don't dispute that. And  
 that's the reason why the government is seeking or recommends a  
 modest variance in this case as opposed to seeking a guideline  
 sentence. So I guess the answer to Mr. Petrillo's question is  
 yes.

THE COURT: All right. Thank you.

Mr. Petrillo, does your client wish to address the  
 Court before sentence is imposed?

MR. PETRILLO: He does, your Honor, and he's asked me  
 just to clarify because he heard -- and, again, I may have  
 heard it incorrectly, that -- the amount of restitution in this  
 case; that is, the amount due and owing to the IRS is  
 approximately \$1.393 million, and he's under the impression the  
 Court may have said that the guidelines range started where it  
 did because the loss amount was one and a half million. And he  
 just wanted to make sure that that point was entered into the  
 record. It doesn't change our position on the guidelines  
 though, and I am only noting it for the record.

And Mr. Cohen would like to be heard, your Honor.

THE COURT: Fine. I'll hear from Mr. Cohen now.

THE DEFENDANT: Your Honor, stand here or to the  
 podium?

THE COURT: I think it would be best to take the  
 podium.

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1 THE DEFENDANT: Thank you, your Honor.

2 I stand before your Honor humbly and painfully aware  
3 that we are here today for one reason: Because of my actions  
4 that I pled guilty to on August 21, and as well on November

5 I take full responsibility for each act that I pled  
6 guilty to, the personal ones to me and those involving the  
7 President of the United States of America. Viktor Frankl in  
8 his book, "Man's Search for Meaning," he wrote, "There are  
9 forces beyond your control that can take away everything you  
10 possess except one thing, your freedom to choose how you will  
11 respond to the situation."

12 Your Honor, this may seem hard to believe, but today  
13 is one of the most meaningful days of my life. The irony is  
14 today is the day I am getting my freedom back as you sit at  
15 bench and you contemplate my fate.

16 I have been living in a personal and mental  
17 incarceration ever since the fateful day that I accepted the  
18 offer to work for a famous real estate mogul whose business  
19 acumen I truly admired. In fact, I now know that there is  
20 little to be admired. I want to be clear. I blame myself for  
21 the conduct which has brought me here today, and it was my  
22 weakness, and a blind loyalty to this man that led me to choose  
23 a path of darkness over light. It is for these reasons I chose  
24 to participate in the illicit act of the President rather than  
25 to listen to my own inner voice which should have warned me

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that the campaign finance violations that I later pled guilty  
to were insidious.

Recently, the President Tweeted a statement calling me  
weak, and he was correct, but for a much different reason than  
he was implying. It was because time and time again I felt it  
was my duty to cover up his dirty deeds rather than to listen  
to my own inner voice and my moral compass. My weakness can be  
characterized as a blind loyalty to Donald Trump, and I was  
weak for not having the strength to question and to refuse his  
demands. I have already spent years living a personal and  
mental incarceration, which no matter what is decided today,  
seeing this mistake will free me to be once more the person I  
truly am.

Your Honor, I love my family more than anything in the  
world: My dad who is here today, my mom, my in-laws, siblings,  
most of my life, my wife Laura, my pride and joy, my daughter  
Alexandria, my son, Jake. There is no sentence that could  
supersede the suffering that I live with on a daily basis,  
knowing that my actions have brought undeserved pain and shame  
upon my family. I deserve that pain. They do not.

I also stand before my children, for them to see their  
father taking responsibility for his mistakes, mistakes that  
have forced them to bear a shameful spotlight which they have  
done nothing to deserve, and this breaks my heart. For me, the  
greatest punishment has been seeing the unbearable pain that my



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1 actions and my associations have brought to my entire family.  
 2 My mom, my dad, this isn't what they deserve to see in their  
 3 older age, especially when as a child they emphasized to all  
 4 us the difference between right and wrong. And I'm sorry.

5 I believed during this process that there were only  
 6 two things I could do to minimize the pain to my family: Admit  
 7 my guilt and move these proceedings along. This is why I did  
 8 not enter into a cooperation agreement. I have elected to be  
 9 sentenced without asking for adjournment. I have given  
 10 information during countless hours of meetings with prosecutors  
 11 that have been cited as substantial, meaningful and credible.  
 12 I have chosen this unorthodox path because the faster I am  
 13 sentenced, the sooner I can return to my family, be the father  
 14 I want to be, the husband I want to be, and a productive member  
 15 of society again. I do not need a cooperation agreement to be  
 16 in place to do the right thing. And I will continue to  
 17 cooperate with government, offering as much information as I  
 18 truthfully possess.

19 I stand behind my statement that I made to George  
 20 Stephanopoulos, that my wife, my daughter, my son have my first  
 21 loyalty and always will. I put family and country first. My  
 22 departure as a loyal soldier to the President bears a very  
 23 hefty price.

24 For months now the President of the United States, one  
 25 of the most powerful men in the world, publicly mocks me,

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calling me a rat and a liar, and insists that the Court  
 sentence me to the absolute maximum time in prison. Not only  
 is this improper; it creates a false sense that the President  
 can weigh in on the outcome of judicial proceedings that  
 implicate him. Despite being vilified by the press and  
 inundated with character assassinations over the past almost  
 two years, I still stand today, and I am committed to proving  
 my integrity and ensuring that history will not remember me as  
 the villain of his story. I now know that every action I take  
 in the future has to be well thought out and with honorable  
 intention because I wish to leave no room for future mistakes  
 in my life.

And so I beseech your Honor to consider this path that  
 I am currently taking when sentencing me today. And I want to  
 apologize to my entire family for what my actions have put them  
 through. My family has suffered immeasurably in the home and  
 the world outside. I know I have let them all down, and it  
 will be my life's work to make it right, and to become the best  
 version of myself.

Most all, I want to apologize to the people of the  
 United States. You deserve to know the truth and lying to you  
 was unjust. I want to thank you, your Honor, for all the time  
 I'm sure you've committed to this matter and the consideration  
 that you have given to my future.

Again, I want to thank my family, my friends, many who

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1 are here today, who are with me, especially all the people who  
2 wrote letters on my behalf. In addition, I would like to thank  
3 the tens of thousands of strangers who despite not knowing me  
4 at all, not knowing me personally have shown kindness and  
5 empathy in writing letters to me and offering support and  
6 prayer. And I thank you, your Honor, I am truly sorry, and I  
7 promise I will be better.

8 THE COURT: You may be seated, Mr. Cohen.

9 THE DEFENDANT: Thank you.

10 THE COURT: The defendant, Michael Cohen, comes before  
11 this Court, having pled guilty to five counts of income tax  
12 evasion, one count of making false statements to a banking  
13 institution, one count of causing an unlawful corporate  
14 contribution, and one count of an excessive campaign  
15 contribution in the 18 CR 602 criminal case, and one count of  
16 making false statements to the U.S. Congress in 18 CR 850.  
17 Each of these crimes is a serious offense against the United  
18 States.

19 Now, I've reviewed the revised presentence  
20 investigation report, and I adopt the findings of fact in that  
21 report as my own. I will cause the report to be docketed and  
22 filed under seal as part of the record in each of these cases.  
23 I have also reviewed all of the memoranda submitted by counsel  
24 for the parties and the letters submitted on Mr. Cohen's  
25 behalf.

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I previously reviewed the guidelines with all of you.  
It suffice it to say at this juncture that with respect to the  
first case, the guidelines range is 51 to 63 months of  
imprisonment, and the guideline range on the second case is  
zero to six months of imprisonment. Of course, the Sentencing  
guidelines should be the starting point and the initial  
benchmark.

Turning to the 3553(a) factors, the question for this  
Court is what is the appropriate and just sentence for these  
crimes and this defendant. Mr. Cohen pled guilty to a  
veritable smorgasbord of fraudulent conduct: Willful tax  
evasion, making false statements to a financial institution,  
illegal campaign contributions, and making false statements to  
Congress. Each of the crimes involved deception and each  
appears to have been motivated by personal greed and ambition.

His extensive criminal conduct also has broader public  
consequences. [Mr. Cohen evaded more than \$1.3 million in  
personal income taxes for the tax years 2012 through 2016. He  
willfully failed to report \$4 million earned through various  
streams of income from leasing taxi medallions to consulting  
fees and brokerage commissions.] As Justice Oliver Wendell  
Holmes famously said, "Taxes are the price we pay for a  
civilized society."

Now, Mr. Cohen also made a series of false statements  
to financial institutions regarding his liabilities and monthly

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1 expenses so that he would be approved for a \$500,000 home  
2 equity line of credit.

3 Further, Mr. Cohen committed two campaign finance  
4 crimes on the eve of the 2016 presidential election with the  
5 intent to influence the outcome of that election. He made or  
6 facilitated payments to silence two women who threatened to go  
7 public with details of purported extramarital affairs, and  
8 Mr. Cohen admitted that he did so in coordination with and at  
9 the direction of Individual One.

10 Finally, in a separate criminal proceeding filed by  
11 the Special Counsel's Office, Mr. Cohen admitted that he made  
12 false statements about a proposed business project in Moscow to  
13 congressional committees investigating possible interference with  
14 the Russian government with the 2016 presidential election.  
15 Each of these crimes standing alone warrant serious punishment.

16 The financial harms are readily ascertainable.  
17 Mr. Cohen's tax evasion offenses cheated the federal government  
18 out of \$1,393,858. His deception caused a bank to approve a  
19 \$500,000 line of credit he did not deserve. And even his  
20 campaign finance crimes may be measured by the amount of  
21 unlawful contributions: The \$150,000 hush money payment that  
22 he coordinated, and the \$130,000 hush money payment that he  
23 funneled from his home equity loan through a shell corporation.

24 While this is his first conviction, the magnitude,  
25 breadth, and duration of his criminal conduct requires space

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deterrence. Tax and campaign finance prosecutions are rare,  
but unlike the mine-run tax evasion or campaign finance  
violation, Mr. Cohen's crimes implicate a far more insidious  
harm to our democratic institutions, especially in view of his  
subsequent plea to making false statements to Congress. Thus,  
the need for general deterrence is amplified in this case.

Now, Mr. Cohen had a comfortable childhood and enjoyed  
all the privileges of growing up in a close-knit, upper class  
suburb on Long Island. He and his siblings had loving parents  
who worked hard to provide everything for their children. He  
graduated from law school and practiced law in various law  
firms until the Trump organization hired him as an attorney in  
2007. Thereafter, his entire professional life apparently  
revolved around the Trump organization. He thrived on his  
access to wealthy and powerful people, and he became one  
himself.

The letters submitted on his behalf reveal a man  
dedicated to his family and generous with his time and money to  
help people in his own orbit. A number of individuals have  
written to me describing how Mr. Cohen came to their aid  
without seeking anything in return. Of course, that kind of  
generosity is laudable. But somewhere along the way Mr. Cohen  
appears to have lost his moral compass and sought instead to  
maximize his new-found influence. That trajectory,  
unfortunately, has led him to this courtroom today.



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1 While Mr. Cohen does not have a formal cooperation  
 2 agreement with the United States Attorney's Office, he has  
 3 nevertheless met with prosecutors on a number of occasions.  
 4 The Special Counsel's Office notes that he has voluntarily  
 5 provided information "about his own conduct and that of others  
 6 on core topics under investigation" by the Special Counsel and  
 7 that the information he has provided has been "relevant and  
 8 useful." Further, the Special Counsel urges that any sentence  
 9 imposed in connection with 18 CR 850 should be concurrent to  
 10 any sentence imposed in the earlier case.

11 While the United States Attorney's Office acknowledges  
 12 that Mr. Cohen's assistance to the Special Counsel's Office was  
 13 "significant" and warrants a modest variance from the  
 14 guidelines range, they contend that it should not approach the  
 15 type of credit typically given to cooperating witnesses in the  
 16 district.

17 However, cooperation, even when it is not the product  
 18 of a formal agreement, should be encouraged where information  
 19 is provided that advances criminal investigations. Our system  
 20 of justice would be less robust without the use of cooperating  
 21 witnesses to assist law enforcement.

22 Based on the submissions of the parties, this Court  
 23 agrees that Mr. Cohen should receive some credit for providing  
 24 assistance to the Special Counsel's Office. [While Mr. Cohen  
 25 pledges to assist the Special Counsel's Office in further

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Investigations, that is not a matter that this Court can  
 consider now.]

There is an acute need for the sentence here to  
 reflect the seriousness of the offenses and to promote respect  
 for the law. As a lawyer, Mr. Cohen should have known better.  
 Tax evasion undercuts the government's ability to provide  
 essential services on which we all depend. False statements to  
 banking institutions undermine the integrity of our financial  
 system. Campaign finance violations threaten the fairness of  
 elections, and false statements to Congress interfere with the  
 fact finding process in matters of national importance.

[While Mr. Cohen has taken steps to mitigate his  
 criminal conduct by pleading guilty and volunteering useful  
 information to prosecutors, that does not wipe the slate clean.

Mr. Cohen selected the information he disclosed to the  
 government.] This Court cannot agree with the defendant's  
 assertion that no jail time is warranted. In fact, this Court  
 firmly believes that a significant term of imprisonment is  
 fully justified in this highly publicized case to send a  
 message to those who contemplate avoiding their taxes, evading  
 campaign finance laws or lying to financial institutions or  
 Congress. Our democratic institutions depend on the honesty of  
 our citizenry in dealing with the government. And so it is  
 against that backdrop that I am prepared to sentence the  
 defendant.



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1 Mr. Cohen I'd ask, sir, that you stand at this time.

2 Mr. Cohen, it's my judgment, sir, that on 18 CR 602  
3 that you be sentenced to a term of 36 months of imprisonment to  
4 be followed by three years of supervised release on each count  
5 to be served concurrently with the sentence that I will impose  
6 in a moment on 18 CR 850. I'm imposing all of the standard  
7 conditions of supervised release and the following special  
8 condition: That you provide the probation department with  
9 access to any requested financial information.

10 Further, I'm going to enter an order of forfeiture in  
11 this case in the amount of \$500,000, and I'm going to enter an  
12 order for restitution in the amount of \$1,393,858. I am also  
13 going to impose a fine of \$50,000, and the mandatory special  
14 assessment of \$800.

15 Now, with respect to 18 CR 850, I sentence you to 36  
16 months of imprisonment to be served concurrently with the term  
17 imposed in 18 CR 602 to be followed by three years of  
18 supervised release, also to be served concurrently with the  
19 term imposed in 18 CR 602, and with all of the standard  
20 conditions of supervised release.

21 In this case with respect to 18 CR 850, I am also  
22 going to impose a \$50,000 fine in that case to recognize the  
23 gravity of the harm of lying to Congress in matters of national  
24 importance. And, once again, I will impose the mandatory  
25 special assessment in that case of \$100.

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Just to be clear, the sentence in the earlier case is  
concurrent on all counts in that information.

And so, Mr. Cohen, this constitutes the sentence of  
this Court. I advise you that to the extent you have not  
previously waived your right to appeal, you have the right to  
appeal. I advise you further that if you cannot afford  
counsel, counsel will be provided to you free of cost.  
Mr. Petrillo has done a superb job in navigating you through  
this matter and bringing the sentencing submissions before the  
Court. I'm confident that he and Ms. Lester will advise you  
further with respect to your appellate rights. You may be  
seated, sir.

Are there any further applications at this time?

MR. ROOS: Not from the government, your Honor.

THE COURT: Ms. Rhee.

MS. RHEE: Your Honor, the Special Counsel's Office  
would just like to confirm that there will be a separate  
\$50,000 fine.

THE COURT: Yes.

MS. RHEE: Not to run concurrently.

THE COURT: No, it's a separate fine. It's a separate  
fine, and the guidelines in my view do not recognize the  
gravity of the offense of making false statements to Congress.

MS. RHEE: Thank you for the clarification.

THE COURT: Mr. Petrillo.



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1 MR. PETRILLO: Your Honor, if you would, would the  
2 Court give consideration to voluntary surrender by the  
3 defendant and consider recommending the designation of  
4 Otisville as the place of imprisonment?

5 THE COURT: I will make that recommendation, and I  
6 will allow for a voluntary surrender in this case. What  
7 surrender date are you seeking?

8 MR. PETRILLO: I don't have one particularly in mind,  
9 but from past experience it seems to take about 10 or 12 weeks  
10 for the BOP to --

11 THE COURT: Right. Is March 6 all right? And if for  
12 some reason you've not been notified of a designated  
13 institution, just write a short note to me, and I will put the  
14 surrender date over.

15 MR. PETRILLO: Very well.

16 THE COURT: Go ahead.

17 MR. PETRILLO: I have one other thing for the record  
18 that doesn't require a ruling, but as you know, under *United*  
19 *States v. Ganais* in the Second Circuit, it's incumbent upon the  
20 defendant to demand his property back post a search procedure  
21 as part of protecting his rights under the Fourth Amendment.  
22 And so for the record, I'd like to make that demand and thus  
23 have no confusion as to where that stands.

24 THE COURT: All right. I'm confident there will be  
25 further briefing with respect to that matter after this

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proceeding is concluded, and I will await receipt of some  
submission.

This matter is concluded. Have a good afternoon  
(Adjourned)